



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

APR 26 2001

US EPA RECORDS CENTER REGION 5



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BY CERTIFIED MAIL AND FACSIMILE

REPLY TO THE ATTENTION OF
C-14J

Steering Committee
Master Metals, Inc., Superfund Site – Cleveland, Ohio
c/o George Marek and Rachel Schneider
Quarles & Brady, LLP
411 E. Wisconsin Ave.
Milwaukee WI 53202-4497

**Re: Master Metals, Inc., Superfund Site
Cleveland, Ohio
Status of Negotiations**

Dear Mr. Marek and Ms. Schneider:

I am writing to respond to the letter of April 20, 2001, regarding the above matter, signed by Marcus Martin, David Hoffmann and Mr. Marek and transmitted by Quarles & Brady, LLP. In this letter, the potentially responsible parties (PRPs) at the site (you) repeated your earlier demands that the U.S. Environmental Protection Agency, Region 5 (we) make certain concessions in order for you to be willing to discuss performing the long-term, or "Phase III," removal action (long-term removal) at the site pursuant to an administrative order by consent. In this letter you also state that unless we forgive the oversight costs that we billed you on February 23, 2001, and that you agreed to pay under existing administrative orders dated April 17 and October 23, 1997, you will "discontinue any further discussion regarding additional work at the site"

We fully addressed your demands in our letter of March 29, 2001. We see nothing new in your April 20, 2001, letter. Regarding your demand that we forgive the oversight costs billed to you on February 23, 2001, we refer you to our letter of March 29, 2001. That letter explains the situation sufficiently.

In your April 20, 2001, letter, you identified a document that you claim applies to the facts of this site. It does not. The issue here is not, as you seek to characterize it, one of whether we are willing to forgive some of your past and future oversight costs to achieve settlement. We stated in our March 29, 2001, letter that we are willing to do this. Brownfields redevelopment is very important to us and we are willing to do much for redevelopment, within the limits of our orphan share and other policies. The actual issue is whether we should forgive oversight costs that you agreed to pay under two existing administrative orders. Or, phrased differently, whether you have enough leverage to force us to reopen two existing settlements. As we explained in our March 29, 2001, letter, we can not do so.

Regarding your document and taking it at face value, it speaks of us offering to compensate settling parties through forgiveness of past and future oversight costs. This we are willing to do, as we have said. The costs that you seek forgiveness for, however, are not unresolved past or future oversight costs – they are oversight costs that you agreed to pay in a pair of existing settlements. The document says nothing about us reopening existing settlements to achieve future ones. For policy reasons that you can deduce, this is an abysmal idea. More to the point and as we stated in our March 29, 2001, letter, it goes beyond the limits of our relevant policies. Therefore, this subset of what you characterize as past and future oversight costs remains off-limits for purposes of settlement. We continue to expect you to honor the obligations that you have made.

Regarding the oversight costs that we billed you on February 23, 2001, and that we have already given you an additional 30 days to pay, you will achieve a measure of the further time extension that you seek. While gathering documentation that you requested regarding your bill, it became apparent that some site costs for a technical assistance team (TAT) contract were actually from the Master Metals, Inc., Superfund Site in Detroit, Michigan, erroneously billed to the Cleveland site. We have removed all erroneous TAT contract costs and will re-issue your bill shortly. The re-issued bill will be smaller in amount. Save for the TAT contract costs and one travel voucher, the re-issued bill should remain the same.

In your April 20, 2001, letter, you state that “this site can easily be a win-win situation for all parties and a successful brownfields redevelopment project which can be touted by EPA for years to come. The hurdles and issues can be resolved in straightforward and in our eyes, noncontroversial ways.” We agree with the spirit of these statements. In fact, we feel that there is only one hurdle left to overcome in this process – your greed.

We believe that the Northern Ohio Lumber and Timber Company (NOLTCO), the City of Cleveland and the State of Ohio all want this redevelopment to happen and are willing to sacrifice to that end. The increasing concessions that you have gotten from them are sufficient proof of that. We also want this redevelopment to happen and we believe that we have gone to the extent our policies permit in order to accommodate your increasing demands. It is only you who have insisted on ever-increasing profit in order to work on redevelopment – in cleaning up contamination for which you are potentially legally responsible.

Your April 20, 2001, letter stated that if we fail to forgive the February 23, 2001, bill, that you will discontinue negotiations regarding performing the long-term removal. Brownfields redevelopment is important enough to us, however, that we are willing to wait for you to reconsider your actions before turning to our other enforcement options at the site. Therefore, we are open to continuing to negotiate a consent order with you, provided we hear from you by May 4, 2001. If we do not hear from you by that date, we will presume that you have, indeed, terminated negotiations in this matter. If we meet to negotiate again, we suggest that NOLTCO

attend the negotiation as well, inasmuch as NOLTCO has agreed to become a limited-role settling respondent in such an order.

If you have any questions regarding this letter, please telephone me at (312) 886-6827. Thank you for your prompt attention to this matter.

Sincerely Yours,

A handwritten signature in black ink, appearing to read 'Kris P. Vezner', followed by a long, sweeping horizontal line that extends to the right.

Kris P. Vezner
Assistant Regional Counsel

cc: Marcus Martin, NL Industries
David Hoffman, Hoffmann, McMahon & Degulis

bcc: Kris Vezner, C-14J
Gwen Massenburg, SR-6J
Sheila Abraham, OEPA-NEDO